Company Registration Number: 02401127

BMR Mining PLC

ANNUAL REPORT

30 JUNE 2015

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DIRECTORS AND ADVISERS

DIRECTORS

M A Borrelli	Chairman and Chief Executive
J N Hawke	Director, Mining and Operations
A R Gardner-Hillman	Non-Executive Director

COMPANY SECRETARY

D B Bailey

REGISTERED AND HEAD OFFICE

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London
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CHAIRMAN'S STATEMENT

I am pleased to present below the financial statements of the Company for the year ended 30 June 2015.

Results for the year

The Company reported a loss before taxation for the year ended 30 June 2015 of £1.59 million (2014: £9.27 million after adjusting for impairment write-downs and provisions of £4.57 million). Administrative expenses amounted to £2.41 million (2014: £3.04 million) including foreign exchange losses of £0.76 million (2014: £1.79 million). Adjustments for share-based payments were £0.05 million (2014: £1.65 million). Loss per ordinary share was 1.19p (2014: 7.74p).

Consolidated net assets at 30 June 2015 amounted to £8.06 million (2014: £8.09 million). Cash balances at the year end amounted to £0.79 million (2014: £0.75 million). Current cash balances, following the £0.75 million placing in October 2015, amount to approximately £0.90 million.

Background

Following my appointment, the Company instructed independent accountants to investigate material concerns that had come to light and accordingly the Company's share trading on AIM was suspended from 4 November 2014 until it resumed on 1 May 2015. The investigation resulted in write-downs and provisions of £10.30 million, of which £4.57 million was in respect of the year ended 30 June 2014, £4.03 million in respect of prior years and the balance of £1.70 million attributable to both depreciation not previously provided and foreign exchange differences during the periods.

On 18 February 2015, the Company entered into a settlement agreement with certain parties relating to matters underlying certain of these write-downs of assets, as a result of which the Company received £0.96 million in cash.

The Directors have continued to consider areas where further recoveries can be sought having regard to the likelihood of success, the cost of taking action and the opportunity for recovery within a reasonable timescale. The Company has instructed lawyers and accountants to prepare particulars of claim against certain entities not party to the settlement agreement where the Directors are confident of success.

Kabwe operations

The Directors have focused extensively on the opportunities arising from the planned conversion of the tailings held at Kabwe into zinc ("Zn") and lead ("Pb") metals and metal compounds and currently expect the Company to commence pilot plant operations once the upgraded pilot plant has been constructed following the receipt of ZEMA approval.

On 25 June 2015, the Company announced that the metallurgical test programme on the Wash Plant Tailings ("WPT") and Leach Plant Residue Tailings ("LPR") using an acid/brine leaching process to recover Zn and Pb had been successful. The objective of the metallurgical test programme was to confirm the technical viability of the acid/brine leach process for the extraction of Zn and Pb from the WPT and LPR. The process was successfully peer reviewed, as announced on 22 September 2015.

On 31 July 2015, the Company announced that, following laboratory testing, the proposed acid/brine leach process had been enhanced.

The WPT was estimated by Mineral Corporation Consultancy (Pty), in its March 2012 report, to contain 573,458 dry tonnes (JORC compliant) at a mean grade of 10.66% Zn and 7.21% Pb (61.4kt contained Zn and 41.3kt contained Pb).

CHAIRMAN'S STATEMENT (continued)

The potential recoveries that have been achieved into a Pregnant Liquor Solution (PLS) are 94.2% Pb and 79.6% Zn. Proving the commercial viability of scaling this new process will be the next stage of our evaluation.

The Company also announced the successful recovery in testing by precipitation and electro winning from the PLS of the following products:

- a lead sponge with a grade of 96.0% Pb; and
- a refined zinc cathode with a grade of 99.6% Zn.

Liquid residue discharges from the process were non-toxic.

The Company is now able to establish the mass, pulp and water parameters required for the construction of the planned pilot plant at Kabwe. It is therefore focussing on the optimum design and construction of the pilot plant and intends to source the majority of requisite equipment in-country.

The Company has engaged the services of Edward Musonda, an experienced metallurgist, to work with the Company on the process design of the pilot plant, which it has continued to enhance since the placing in October.

The Company has determined that the treatment rate for the planned pilot plant will be a minimum of 5 tonnes per hour and that the plant will operate on a 24/7 basis, initially processing the WPT. The principal objectives of the pilot plant are to generate revenues and to finalise the design parameters of the proposed main plant, which the Directors plan to come into operation in 2017, to enable it to process different combinations of tailings. Nevertheless, BMR's intention is to operate the pilot plant as a semi-production unit to simulate actual operating conditions, thereby enabling the Company to generate revenues from sales of the end product.

The Board intends to announce to shareholders the expected cost and revenue generating capacity of the pilot plant with a peer review thereof, once these have been finalised.

The Company has also engaged JA Consultancy, an environmental specialist organisation based in Lusaka, Zambia, to prepare, present and assist in securing approval for a further Environmental and Social Impact Assessment (ESIA) from ZEMA (the Zambia Environmental Management Agency). BMR believes that JA Consultancy is particularly well qualified to secure ZEMA's approval for the planned pilot plant within the requisite time frame, having successfully secured approvals from ZEMA for similar projects.

Having obtained ZEMA's approval of the terms of reference and scoping study for the full ESIA, the Board anticipates submitting the full ESIA in the near future.

During the year, the Company sold its copper leach plant and certain items of equipment at Kabwe for the sum of $70,000. This had been impaired as at 30 June 2014 hence the sale, which represents a good achievement by local management, generated a gross profit of $70,000 in the full year results.

Imperial Smelting Furnace Slag (ISF Slag)

The Company was advised last year that the effective economic recovery of Zn from the ISF slag would prove difficult, being brittle and hard to process, and consequently the value of this resource was written off in the 2014 Annual Report. The ISF slag had been estimated by Mineral Corporation Consultancy (Pty), in its March 2012 report to contain 1,481,563 dry tonnes, as surveyed on a JORC compliant basis, at a mean grade of 8.07% Zn (119.6kt contained Zn).

As the ISF slag comprises a significant unexploited Zn resource, the Directors decided to re-examine the potential for the recovery of Zn from this source and have been working closely with BMR’s consultants in order to assess commercial feasibility. Following recent mineralogical and exploratory metallurgical test work, the Company is pleased to announce that, in conjunction with its Mineral Processing Partner, a recovery of 77.2% Zn has been successfully achieved in laboratory analysis.

Further work is being undertaken to optimise this recovery and to establish if it can also be processed by the pilot plant. In the event that this further work concludes positively, the Company will commission a full JORC compliant survey of the ISF slag.

Waelz Kiln Slag ("WKS")

BMR's assets at Kabwe, Zambia, include approximately 1.1 million tonnes of WKS, as surveyed on a JORC compliant basis by Mineral Corporation Consultancy (Pty). The WKS was written down to £201,000 in the accounts for the year ended 30 June 2014 due to it being brittle and hard, and of too low a grade and too difficult to process on a commercial basis.

However, BMR has now identified, from studies undertaken by the Building Research Establishment UK, that the WKS, being a ferro-silicate zinc slag (smelter slag), could be applied in the construction of building blocks and road construction. As part of its analysis and in conjunction with a local block making company, BMR has manufactured a test batch of concrete blocks, using an 80:20 ratio of WKS to building sand, which were then subjected to testing. Importantly, there was no evidence of leaching of Pb or Zn.

BMR has therefore instructed its Environmental Consultants to prepare a submission, including BMR's test results, to seek approval from ZEMA to sell the WKS for incorporation in block and concrete making. Approval will be sought in the form of an Environmental Project Brief ("EPB") which involves a separate and less onerous application process than an Environmental Impact Study. Application for this is now expected to be made before the end of 2015.

In the event that ZEMA approval is given, BMR intends to commence local sales of WKS, which would involve limited costs and could realise modest but meaningful revenues over several years. Disposing of the WKS in this manner would also provide an elegant solution to environmental issues associated therewith.

Pilot Plant Processes and Intellectual Property

The metallurgical processes that have been developed to achieve the recoveries and final products above, certain of which are being incorporated into the design of the Kabwe pilot plant, are proprietary to BMR and your Directors are planning to take the appropriate steps to protect this intellectual property.

The Company intends to commence pilot plant operations as soon as practicable once the upgraded pilot plant has been constructed following the receipt of ZEMA approval. It is also the intention of the Company to process first the higher-grade, higher-recovery WPT to generate initial returns from the Company's asset base.

Joint Ventures (JVs) and Investments

We had entered into discussions during the year for the sale of the Company's majority interests in the five dormant JVs and have since commenced their liquidation which we expect to conclude shortly.

On 24 August 2015, the Company entered into a technical co-operation agreement with Mineralfields Group Limited ("MFG") and New Resource Management Services Ltd, a company connected with Jeremy Hawke, for an initial period of three years to provide services for securing permits for mining projects for industrial minerals (primarily rutile) in the Republic of Cameroon in consideration for an interest of 7.5% in MFG. The Directors believe the value of MFG at the time of entering the agreement was de minimis as MFG had no permit or licence for the projects and negligible assets while there is limited cost to BMR associated with its provision of services. Jeremy Hawke and I are each directors of, and shareholders in, MFG.

VAT

We previously announced that the Company was in discussions with HMRC, having received notice that BMR is to be de-registered together with an assessment for back VAT and interest thereon amounting to £268,491 at 30 June 2014 (such sum now exceeding £374,350 after taking into account recent VAT recoveries following our submission of VAT returns). We are in continued discussions with HMRC with our advisers and are appealing against the HMRC notice.

Fund raisings

On 28 October 2015, the Company announced that it had raised £750,000 before expenses, by way of a placing of 18,750,000 new ordinary shares at 4.0p per share. Each placee received for each share subscribed a warrant to subscribe for a further new ordinary share at 7.0p per share in the 42 days following publication of BMR's results for the year ending 30 June 2016.

Following an undertaking to offer any new issued shares to shareholders on the same terms, the Company will be making an offer to shareholders of new shares with warrants on the same headline terms, which the Directors expect to implement in early 2016.

Directors, management and consultants

During the year, there were a number of changes in the composition of the Board largely as a result of financial irregularities that had come to light.

I succeeded the former Chairman on 23 October 2014.

On 2 February 2015, Jeremy Hawke, a chartered engineer with significant mining expertise, was appointed Mining and Operations Director.

Following the Annual General Meeting on 28 May 2015, Antony Gardner-Hillman, with significant corporate experience and a legal background, was appointed as a non-executive Director and, at the same time, Horacio Furman and Mark Wainwright resigned as Directors.

The Directors recognise that, for good corporate governance, an additional non-executive director should be appointed and intend to do so when such a candidate has been identified.

I am supported by Dennis Bailey, senior consultant, who was appointed Company Secretary on 15 June 2015 and by Norman Lott, our chief financial officer, each of whom joined the Company as consultants in the financial year.

In addition, the Company is well-supported by its management and staff in Zambia who continue to maintain and protect our interests at Kabwe and who are fundamental to our planned development of our activities for establishing the pilot plant and commencing operations.

Overheads

The Directors have sought to limit the Company's monthly expenditure in the UK and to align the cost base more closely to our considerations of operational requirements.

On 2 February 2015, I announced substantial reductions in the headcount at the Company's head office, from where many companies had been administered with financial support from the Company, which was highly inappropriate.

We have also had to meet the significant cost of the lease of premises at 6 Derby Street, London W1J 7AD, which had served as the Company's former registered office, and related costs of repairs and dilapidations arising at the end of the lease on 24 December 2015. On 9 November 2015, the Company announced that it had entered into an agreement for the surrender of the lease to the landlord with a settlement for the cost of dilapidations and no further rental obligations from the end of the lease period.

Since July 2015, the Company has been operating from a small serviced office at 35 Piccadilly, London W1J 0DW, which now also serves as the registered office.

As a result of these changes, we expect that normalised central costs in the UK will have fallen from approximately £250,000 per month in the year ended 30 June 2014 to approximately £65,000 per month (assuming no foreign exchange losses) from January 2016.

AGM and Resolutions

The resolutions for the forthcoming Annual General Meeting are contained in a separate Notice which will be made available, together with a circular relating to the open offer referred to above, to shareholders and on the website www.bmrplc.com. The Directors recommend shareholders to vote in favour of the resolutions and a form of proxy is being despatched to all shareholders for this purpose. The AGM will be held at 10.30 a.m. on Wednesday 10 February 2016 at the offices of WH Ireland Limited, 24 Martin Lane, London EC4R 0DR.

In addition to the customary resolutions and authorities to be sought for issuing new ordinary shares, the Directors will be seeking approval for the change of the Company's name from BMR Mining PLC to BMR Group PLC to reflect the ongoing evolution of the Company's activities from mining to concentration on the processing of tailings and recycling of metals.

Outlook

I believe we have made considerable advances at BMR and that our positioning as a tailings processor represents a low risk business, requiring less capital, outside of the challenges faced by mining companies in general. We will seek to expand the business further where opportunities arise for the acquisition of other tailings which we can process efficiently.

We have a number of exciting prospects underway and we expect to submit a final application to ZEMA for establishing the pilot plant in the near future; to seek approval from ZEMA for the sale of the WKS which we expect to generate revenues from early 2016; and to launch in early 2016 an open offer to shareholders on the same headline terms as the issue in October 2015.

The Company then intends to commence pilot plant operations as soon as practicable once the upgraded pilot plant has been constructed following the receipt of ZEMA approval.

Overall, I am confident that the Company now has a viable future with a solid asset base and I look forward to updating shareholders as we progress within this new chapter under the new management team.

Alex Borrelli
Chairman

16 December 2015

The Directors present their strategic report for the year ended 30 June 2015.

PRINCIPAL ACTIVITIES

The Group's principal activity is that of the acquisition, evaluation and processing of mineral stockpiles, in particular tailings. The Group's projects are located in Zambia.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company's performance during the year and expected future developments are described in the Chairman's Review on page 4.

GOING CONCERN

As disclosed in Note 3, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources with its cash balances to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The operational requirements of the Company comprise maintaining a Head Office in the UK with a Board comprising two executive directors and one non-executive Director with two consultants for, amongst other things, determining and implementing strategy and managing operations. In addition, the Company has a team in Kabwe, Zambia for establishing facilities for the processing of the Company's tailings into zinc and lead concentrates under the direction of the Board.

The Directors have considered the current level of cash balances and the operational requirements of the Company in both the UK and Zambia over the next 12 months and the commencement of the establishment of a pilot plant, subject to the approval of a final report, expected to be submitted in the near future, to the Zambian Environmental Management Agency ("ZEMA"). The Directors believe that the process methodology being developed by the Company working with technical partners is capable of being patented. The Directors expect the plant to be capable of processing at the rate of five tonnes per hour and operating on a 24/7 basis once fully operational.

In addition, the Directors expect the Company to generate revenues from the sale locally of its Waelz kiln slag for building blocks in the construction sector, subject to the approval of ZEMA for which an application will be made in the near future.

The Directors therefore believe that the current cash resources which include the net proceeds of the October placing to raise £750,000, and assuming no current liability in respect of VAT, are sufficient for the Group's current operations and, with expected revenues from the sale of the Waelz kiln slag, for establishing the enhanced pilot plant and commencing preparations for the planned main plant.

STRATEGIC REPORT (continued)

KEY PERFORMANCE INDICATORS

Key performance indicators for the Group are as follows:

	Year ended 30 June 2015 £	Year ended 30 June 2014 £
Total assets	**10,863,243**	10,833,521
Net assets	**8,204,582**	8,087,240
Cash and cash equivalents	**785,881**	750,695
Trade and other payables	**(752,136)**	(891,136)
Loss before tax for the year	**(1,590,662)**	(9,268,695)
Loss per share	**(1.19)p**	(7.74)p

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is subject to various risks similar to all exploration companies operating in overseas locations relating to political, economic, legal, industry and financial conditions, not all of which are within its control. The Group identifies and monitors the key risks and uncertainties affecting the Group and runs its business in a way that minimises the impact of such risks where possible.

The following risks factors, which are not exhaustive, are particularly relevant to the Group's business activities:

Licensing and title risk

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or government offices. The Group must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations by the permitting authorities. New laws and regulations, amendments to existing laws and regulations, or more stringent enforcement could have a material adverse impact on the Group's result of operations and financial condition. The Group's exploration activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitation.

There is a risk that negotiations with the relevant government in relation to the renewal or extension of a licence may not result in the renewal or grant taking effect prior to the expiry of the previous licence and there can be no assurance as to the terms of any extension, renewal or grant. This is a risk that all exploration and mining companies are subject to, particularly when their assets are in emerging markets.

Following the introduction of new legislation in Zambia in 2015 (the Mines and Minerals Development Act), the Group is currently taking steps to comply with all legal requirements to holding a mining licence in Zambia. This is expected to require small changes to the holding structure of the Company's subsidiary, Enviro Processing Limited.

Whilst the Group continually seeks to do everything within its control to ensure that the terms of each licence are met and adhered to, third parties may seek to exploit any technical breaches in licence terms.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Processing risk

There is no guarantee that BMR's acid/brine leaching methodology for processing the tailings at Kabwe will be able to produce a saleable product in economic quantities or that it will be possible to sell the product at a profit. BMR has however engaged independent experts to assist in the design of its methodology, which has been concluded in a Peer Review to be suitable for processing the recovery of high levels of Zn and Pb metal from the WPT.

Dependency on key personnel

In the second half of 2014 and first half of 2015, three senior members of BMR's management, including the former Executive Chairman, left the Company further to which the new Chairman instigated an investigation which resulted in the substantial write-downs of assets.

BMR's management now comprises a new team of executives. The Directors believe that the loss of any key individuals in the new team or the inability to attract appropriate personnel could impact BMR's performance.

Although BMR has entered into contractual arrangements to secure the services of its key personnel, the retention of these services and the future costs associated therewith cannot be guaranteed.

Resource estimates

BMR has previously relied upon resource statements including some that are not JORC compliant and which have not been independently verified. Estimates of resources and operating costs are to a large extent based on interpretation of the data available. Such estimates are likely to require revisions based on further analysis and actual production experience. It is possible that actual costs and economic returns may differ significantly from those currently estimated. Furthermore an increase in costs or a decrease in the market price that may occur, could render tailings containing relatively low grades of minerals uneconomic, which may ultimately result in a restatement of reserves.

Possible delays to construction of pilot plant

It is possible there may be delays in the planned construction of the pilot plant at Kabwe and some of these reasons may be;

(i) delays in procuring key pieces of equipment - the lead times for equipment may have a material effect on the anticipated commencement of a project;
(ii) delays in receiving requisite government approvals;
(iii) delays in clearing imported equipment through customs;
(iv) delays in obtaining engineers and personnel experienced and qualified to complete construction and testing; and
(v) modifications to the design of the process.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Delays experienced in establishing and testing the Pilot Plant and/or obtaining necessary operating permits can lead to a delay in the planned timetable for recovery of lead and/or zinc and access to commercial revenues.

Pilot plant operations

The Company is not currently operational in the commercial production of lead and/or zinc and/or other industrial metals and at this stage of its development the Company is not subject to the vagaries of the respective commodity prices, global supply/demand issues, infrastructure and transportation logistical problems, macro commercial economic factors, and sector fluctuations, and other general business risks as a producer. Some or all of these factors may however impact upon the Company once the Pilot Plant is established, or as the Company seeks to ramp up or increase production, or secure future sales contracts or debt or equity funding.

Legal risk

The legal systems in the countries in which BMR's operations are located are different to that of the UK. This could result in risks such as: (i) potential difficulties in obtaining effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulation, decrees, orders and resolutions; and (v) relative inexperience of the judiciary and courts in such matters.

In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain. In particular, agreements in place may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

Liquidity and financing risk

Although the Directors consider that BMR, taking into account the proceeds of the October Placing, has sufficient funding in place to commence Pilot Plant operations, there can be no guarantee that further funding will be available and on terms that are acceptable to BMR should additional costs or delays arise. Nor can there be any guarantee that the additional funding will be available to allow BMR to obtain and develop additional projects in the necessary timeframe.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The Directors intend to review BMR's funding requirements on a regular basis, and take such action that may be necessary to either curtail expenditures and / or raise additional funds from available sources including asset sales and the issuance of debt or equity.

Governmental approvals, licences and permits

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or government offices. BMR must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations by the permitting authorities. Delays in granting such approvals, licences and permits, new laws and regulations, amendments to existing laws and regulations, or more stringent enforcement could have a material adverse impact on BMR's result of operations and financial condition. BMR's activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitation.

There is a risk that negotiations with the relevant government in relation to the renewal or extension of a licence may not result in the renewal or grant taking effect prior to the expiry of the previous licence and there can be no assurance as to the terms of any extension, renewal or grant.

Operational risk

BMR may be affected by risks arising from mechanical accidents, occupational health hazards, processing problems and technical or power failures, which occur relatively frequently in Kabwe. Although BMR has secured a generator to reduce the impact of power failures, the impact of any of these events could lead to disruptions in business operations, loss of reputation and financial losses. BMR seeks to manage these risks by ensuring compliance with relevant standards such as health and safety standards, recruitment of appropriately qualified and experienced personnel, and appropriate training of staff and contractors.

Environmental risk

BMR's operations are subject to environmental regulations. Such regulations cover a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. BMR may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist at any of its properties or which may be produced as a result of its operations.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Environmental legislation and permitting are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies, their directors and employees. No assurance can be given that future rules and regulations will not be enacted that could limit or curtail BMR's activities. BMR regularly reviews developments in the relevant legislation and monitors compliance not just with the required local standards, but also with standards expected of an international exploration company.

Commodity price risk

The market price for Zn and Pb is volatile and affected by numerous factors which are beyond the control of BMR. These include international supply and demand, international economic trends, currency exchange rates, and global or regional political events. Sustained downward movements in the price for these metals could render less economic or uneconomic some or all of the processing activities to be undertaken by BMR.

Liability and insurance

The nature of BMR's business means that BMR may be exposed to potentially substantial liability for damages. There can be no assurance that necessary insurance cover will be available to BMR at an acceptable cost, if at all, nor that, in the event of any claim, the level of insurance carried by BMR now or in the future will be adequate.

BMR's operations are also subject to environmental and safety laws and regulations, including those governing the use of hazardous materials. The cost of compliance with these and similar future regulations could be substantial and the risk of accidental contamination or injury from hazardous materials with which it works cannot be eliminated. If an accident or contamination were to occur or, BMR would likely incur significant costs associated with civil damages and penalties or criminal fines and in complying with environmental laws and regulations. BMR's insurance may not be adequate to cover the damages, penalties and fines that could result from an accident or contamination and BMR may not be able to obtain adequate insurance at an acceptable cost or at all.

Currency risk

The Company expects to present its financial information in Sterling although part or all of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect BMR's transaction costs and the translation of its results.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Economic, political, judicial, administrative, taxation or other regulatory factors

BMR may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas in which BMR will operate.

Taxation

Any change in BMR's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments or assets held by the Company, affect BMR's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of BMR and its investors are based upon current tax law and practice which may be subject to change.

Approved by the Board of Directors and signed on behalf of the Board.

M A Borrelli
Chairman
35 Piccadilly
London W1J 0DW

16 December 2015

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements, for the year ended 30 June 2015.

RESULTS AND DIVIDENDS

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 27. The Directors do not recommend the payment of a dividend on the ordinary shares (2014: nil).

DIRECTORS AND THEIR INTERESTS

The names of the Directors who served throughout the period, except where shown otherwise, are as follows:

M A Borrelli – Chairman (appointed 23 October 2014)
J N Hawke (appointed 2 February 2015)
A R Gardner-Hillman (appointed 28 May 2015)
M Alikhani - Chairman (resigned 17 October 2014)
H Furman (resigned 28 May 2015)
M Wainwright (resigned 28 May 2015)

The interests (as defined in the Companies Act) of the Directors holding office during the period to date or at date of resignation in the share capital are shown below:

	Ordinary shares of 1p 30 June 2015	Ordinary shares of 1p 30 June 2014 (pre-share consolidation)
M A Borrelli	**400,000**	N/A
J N Hawke	-	N/A
A R Gardner-Hillman	-	N/A
M Alikhani	**1,499,596**	24,345,958
H Furman	**401,978**	4,019,779
M Wainwright	**228,065**	2,280,648

Under the terms of the settlement agreement dated 18 February 2015 M Alikhani has irrevocably agreed to the conversion (before the share consolidation) of 9,350,000 shares of BMR into deferred shares. Mrs B Alikhani has agreed to the conversion (before the share consolidation) of 2,656,578 shares into deferred shares and Lakeshore Trading Limited, formerly Swan Logistics Limited to the conversion (before the share consolidation) of 12,472,798 shares into deferred shares.

Other than as set out above, none of the Directors at 30 June 2015 held any interest in shares of the Company during the year. All of the interests reported are beneficial.

Details of the Directors' share options are provided in Note 19.

DIRECTORS' REPORT (continued)

EXECUTIVE DIRECTORS AT THE YEAR END

Alex Borrelli (Chairman and Chief Executive)

Alex Borrelli qualified as a chartered accountant with Deloitte, Haskins & Sells, London in 1982. He has subsequently been active within the investment banking sector and has acted on a wide variety of corporate transactions in a senior role for over 20 years, including flotations, takeovers, mergers and acquisitions for private and quoted companies (on the Official List, AIM and PLUS, now ISDX). Alex was until recently chairman of Ablon Group Limited, a real estate group with a portfolio valuation of ca. EU400 million in Central Europe (formerly listed on the Main Market, standard segment, of the London Stock Exchange and the subject of a successful cash offer in 2013). He is a non-executive director of a number of listed and unquoted companies including Metal Tiger plc.

Jeremy Hawke (Director, Mining and Operations)

Jeremy Hawke is a Chartered Engineer who spent the first 17 years of his mining career in senior operating positions with the Anglo American Corporation in Zambia and DRC and later Rio Tinto in Namibia. His first mining industry appointment was at the Broken Hill lead and zinc mine, later to become the Kabwe Mine in Zambia. After Namibia he moved to South Africa where he started his own manufacturing company producing high speed diesel engine protection equipment for open pit earth moving equipment. On his return to the UK he worked for International Mining Consultants as Principal Mechanical Engineer, where he led a number of World Bank and EU funded mining projects, principally in Africa.

Jeremy has recently been involved in a variety of tailings re-treatment projects for the recovery of copper, gold, iron and earlier diamonds. During 2014 he has overseen the metallurgical, mining and equipment selection programmes for a major tailings retreatment project on the Zambian Copperbelt.

Founder of AIM-listed African Mining and Exploration (now Savannah Resources, ticker SAV), Jeremy is currently a director of New Resource Management Services Ltd, a niche mining and geological consulting company.

NON-EXECUTIVE DIRECTOR AT THE YEAR END

Antony Gardner-Hillman

Antony Gardner-Hillman is a solicitor of the Senior Courts of England and Wales and has a first-class honours degree in Jurisprudence from Oxford University. He co-founded the Jersey Trust Company group in 1987 and was a director and shareholder for 21 years until he resigned as non-executive group chairman and disposed of his remaining shareholding in the group holding company in 2008. He was a partner of Crills, a Jersey law firm, from 1987 to 2002, and a Jersey resident non-executive partner of the international law firm Holman, Fenwick & Willan (Jersey partnership) from 1987 to 2003. Since 2008 he has worked full-time on a varied portfolio of directorship appointments (including with AIM listed companies).

DIRECTORS' REPORT (continued)

SUBSTANTIAL SHAREHOLDINGS

On 15 December 2015, the Company was aware of the following interests in 3 per cent. or more of the Company's Ordinary share capital:

Shareholder	*No. of Ordinary shares*	% holding
Barclayshare Nominees Limited	19,045,500	12.64
TD Direct investing Nominees (Europe) Ltd (SMKTNOMS)	16,358,452	10.85
HSDL Nominees Limited	15,112,830	10.03
Lynchwood Nominees Limited	13,466.367	8.93
Investor Nominees Ltd	6,804,272	4.51
TD Direct Investing Nominees (Europe) Ltd (SMKTISAS)	6,222,932	4.13
HSBC Client Holding Nominee UK Ltd	6,213,720	4.12
Share Nominees Limited	5,764,544	3.82
Hargreaves Lansdown Nominees Ltd (HL Nom)	5,638,183	3.74
Hargreaves Lansdown Nominees Ltd (15942)	5,116,541	3.39
HSDL Nominees Limited (Maxi)	4,709,949	3.13

Shares held by the above nominees are primarily held on behalf of individuals and no single shareholder has an interest of 3% or greater with the exception of Lexinta AG which holds 12,500,000 shares representing a percentage holding of 8.29%, held through Lynchwood Nominees Limited.

TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

Lakeshore Trading Limited, formerly Swan Logistics Limited, ("Swan") engaged in the purchase and sale of shares in the Company which were not disclosed by Swan and its holding, held through WB Nominees, was 34,475,975 shares (before the share consolidation) in the Company as at 11 October 2011. As at 18 February 2015, Swan agreed to the conversion (before the share consolidation) of 12,472,798 shares in the Settlement Agreement into deferred shares at the next general meeting of the Company, such deferred shares having no economic or voting rights, and being de-listed from trading on the AIM Market, with lock-in provisions until such date. Swan currently holds approximately 5 million shares.

Further detail in relation to related party transactions is provided in Note 23.

ISSUES OF SHARES, OPTIONS AND WARRANTS

During the year, 71,428,570 (equivalent to 7,142,857 consolidated shares) ordinary shares of 1p each were issued as detailed in note 18.

During the year, as detailed in Note 19, 13,196,546 share options and 71,428,570 warrants (equivalent to 7,142,857 consolidated warrants) were issued.

DIRECTORS' INDEMNITIES

The Company has obtained third party indemnity provisions for the benefit of its Directors and Officers.

EVENTS AFTER THE REPORTING DATE

Events after the reporting date have been disclosed in Note 26 to the Financial Statements.

STATEMENT AS TO THE DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITORS

Crowe Clark Whitehill LLP have expressed their willingness to continue in office as auditors.

A resolution proposing the re-appointment of the auditors Crowe Clark Whitehill LLP will be put to shareholders at the Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board.

M A Borrelli
Chairman
35 Piccadilly
London W1J 0DW

Company registered in England and Wales 02401127

16 December 2015

CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance and the guidelines set out in the Principles of Good Corporate Governance and Code of Best Practice (the “Combined Code”). Whilst AIM companies are not obliged to comply with the Combined Code, the Directors follow the Combined Code so far as is appropriate having regard to the size and nature of the Company. The Board will take such measures so far as practicable to comply with the Combined Code and in addition, the Quoted Companies Alliance (“QCA”) Guidelines for AIM Companies.

The Board has put in place the corporate governance procedures they believe are appropriate for the Company. The Board retains full and effective control over the Company. The Company holds regular Board meetings at which financial, operational and other reports are considered and, where appropriate, voted on. Apart from the regular meetings, additional meetings are arranged when necessary to review strategy, planning, operational, financial performance, risk and capital expenditure and human resources and environmental management. The Board is also responsible for monitoring the activities of the executive management. To enable the Board to perform its duties, all Directors have full access to all relevant information and to the service of the Company Secretary. If necessary the Non-Executive Directors may take independent professional advice at the Company’s expense.

A statement of the Directors’ responsibilities in respect of the financial statements is set out on page 31. Below is a brief description of the role of the Board and its committees, including a statement regarding the Company’s system of internal financial control.

THE WORKINGS OF THE BOARD AND ITS COMMITTEES

THE BOARD OF DIRECTORS

The Board currently comprises three directors, two executive and one non-executive. The executive directors are Alex Borrelli, Chairman and Chief Executive, and Jeremy Hawke, Mining and Operations Director.

The current non-executive director is Antony Gardner-Hillman. He is independent of management and free from any business or other relationship which could materially interfere with the exercise of his independent judgement.

The Board is responsible inter alia for setting and monitoring Company strategy, reviewing trading performance, ensuring adequate funding, examining major acquisition opportunities, formulating policy on key issues and reporting to shareholders.

Since the appointment of Alex Borrelli as Chairman, the Board has met on 23 occasions and, in future, the Board will meet on at least a monthly basis.

CORPORATE GOVERNANCE (continued)

THE AUDIT COMMITTEE

The Audit Committee comprises Alex Borrelli, Chairman of the Committee, Antony Gardner-Hillman, and Jeremy Hawke following the resignations in the year from the Company as Directors of Horacio Furman, Chairman of the Committee, and Mark Wainwright, Member of the Committee.

The Committee is to provide a forum for reporting by the Company's external auditors.

During the year, the Audit Committee had three formal meetings and minutes were taken of Committee meetings.

The Audit Committee is responsible for reviewing a wide range of financial matters including the annual and half year results, financial statements and accompanying reports before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the financial information reported to the shareholders. The Audit Committee also advises the Board on the appointment of external auditors and on their remuneration both for audit and non-audit work.

THE REMUNERATION COMMITTEE

The Remuneration Committee comprises Antony Gardner-Hillman, Chairman of the Committee, Alex Borrelli and Jeremy Hawke following the resignations in the year from the Company as Directors of Horacio Furman, Chairman of the Committee, and Mark Wainwright, Member of the Committee.

The Committee is responsible for recommending to the Board the terms and conditions of employment of the executive Directors.

During the year, the Remuneration Committee had two formal meetings and minutes were taken of Committee meetings.

THE NOMINATION COMMITTEE

There is no separate Nomination Committee given the size of the Board and, during the year, no such committee met.

All Director appointments are approved by the Board as a whole.

INTERNAL FINANCIAL CONTROL

The Board is responsible for establishing and maintaining the Company's system of internal financial control. Internal financial control systems are designed to meet the particular needs of the Company and the risk to which it is exposed, and by their nature can provide reasonable assurance but not absolute assurance against material misstatement or loss. The Directors are conscious of the need to keep effective internal financial control.

Due to the relatively small size of the Company's operations, the Directors are now closely involved in the day-to-day running of the business and as such have less need for a detailed formal system of internal financial control. The Directors have reviewed the effectiveness of the procedures presently in place and consider that they are now appropriate to the nature and scale of the operations of the Company.

CORPORATE GOVERNANCE (continued)

REPORT OF THE REMUNERATION COMMITTEE

The Remuneration Committee is currently chaired by Antony Gardner-Hillman and includes Alex Borrelli and Jeremy Hawke. Remuneration packages are determined with reference to market remuneration levels, individual performance and the financial position of the Company.

Directors

The remuneration of the individual Directors during the year ended 30 June as follow:

	Total 2015 £	Total 2014 £
M A Borrelli	**63,917**	-
J N Hawke	**30,835**	-
A Gardner-Hillman	**2,329**	-
M Alikhani	**27,581**	69,750
H Furman	**-**	28,125
M Wainwright	**-**	28,125
Total	**124,662**	126,000

Since 1 July 2014 Mr Furman and Mr Wainwright agreed not to take any further remuneration in respect of their appointments as Directors. In addition, on 29 March 2015, Mr Furman and Mr Wainwright agreed to the cancellation of their options.

On behalf of the Remuneration Committee

A R Gardner-Hillman

Committee Chairman

16 December 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU') and have elected under the company law to prepare the Company statements in accordance with IFRS as adopted by the EU.

The financial statements are required by law and IFRS adopted by the EU to present fairly the financial position of the Group and the Company and the financial performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

- In preparing the Group and Company financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs adopted by the EU;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the BMR Mining PLC website www.bmrplc.com.

Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BMR MINING PLC

We have audited the financial statements of BMR Mining PLC for the year ended 30 June 2015 which comprise the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Comprehensive Income, the Consolidated and Company Cash Flow Statements, the Consolidated and Parent Company Statement of Changes in Equity and the related notes numbered 1 to 26.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BMR MINING PLC

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2015 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 3 to the financial statements concerning the company's ability to continue as a going concern. The financial statements have been prepared on the going concern basis, which depends on the ability to raise further financing. These conditions, along with the other matters explained in note 3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London EC4Y 8EH
16 December 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 30 June 2015

	Notes	2015 £	2014 £
Continuing operations			
Administrative expenses	6	(2,414,281)	(3,043,518)
Impairment provision charge/(write back)	6	(83,272)	(4,570,064)
Share based payment	19	(52,786)	(1,650,828)
Total administrative expenses		**(2,550,339)**	**(9,264,410)**
Other income	6	960,000	-
Finance expense	6	(1,937)	(4,868)
Finance income	6	1,614	583
Loss before tax		**(1,590,662)**	**(9,268,695)**
Taxation	9	-	-
Loss for the year		**(1,590,662)**	**(9,268,695)**
Other comprehensive loss			
Items that may be reclassified subsequently to profit and loss:			
Exchange translation differences on foreign operations		705,218	(636,005)
Total comprehensive loss for the year attributable to equity holders of the parent company		**(885,444)**	**(9,904,700)**
Loss per ordinary share			
Basic and diluted (pence)	10	**(1.19)p**	**(7.74)p**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

Company No. 02401127

	Notes	2015 £	2014 £
Assets			
Non-current assets			
Intangible exploration and evaluation assets	11	9,811,527	9,829,462
Property, plant and equipment	12	65,924	135,243
		9,877,451	**9,964,705**
Current assets			
Trade and other receivables	14	199,911	118,121
Cash and cash equivalents	15	785,881	750,695
		985,792	**868,816**
Total assets		**10,863,243**	**10,833,521**
Liabilities			
Current liabilities			
Trade and other payables	17	752,136	891,136
Total current liabilities		**752,136**	**891,136**
Non current liabilities			
Deferred tax	16	1,906,525	1,855,145
Total non current liabilities		1,906,525	1,855,145
Total liabilities		**2,658,661**	**2,746,281**
Net assets		**8,204,582**	**8,087,240**
Equity			
Share capital	18	20,892,288	20,178,002
Share premium	18	20,697,815	20,462,101
Share based payment reserve	19	52,786	-
Merger reserve		1,824,000	1,824,000
Translation reserve		(263,486)	(968,704)
Retained earnings		(34,998,821)	(33,408,159)
Total equity		**8,204,582**	**8,087,240**

The financial statements were approved by the Board of Directors and authorised for issue on 16December 2015 and were signed on its behalf by

M A Borrelli
Chairman

CONSOLIDATED STATEMENT OF CASH FLOW

Year ended 30 June 2015

	2015 £	2014 £
Cash flows from operating activities		
Loss before tax	**(1,590,662)**	**(9,268,695)**
Adjustments to reconcile net losses to cash utilised :		
Amortisation of exploration and evaluation assets	73,707	370,045
Impairment of exploration and evaluation assets	-	3,586,478
Depreciation of property, plant and equipment	40,409	68,880
Impairment of property, plant and equipment	-	59,006
Other impairment of write down and provision	-	924,580
Loss on disposal of fixed asset	34,995	758
Loss on disposal of intangible asset	80,313	-
Finance income	(1,614)	(583)
Share based payments	52,786	1,650,828
Operating cash outflows before movements in working capital	**(1,310,066)**	**(2,608,703)**
Changes in:		
Trade and other receivables	(83,345)	(276,571)
Trade and other payables	(337,894)	898,897
Net cash outflow from operating activities	**(1,731,305)**	**(1,986,377)**
Investing activities		
Interest received	1,614	583
Purchases of property, plant and equipment	(9,311)	(73,263)
Disposals of property, plant and equipment	44,538	-
Purchases of intangible exploration and evaluation assets	(159,530)	(359,591)
Advance payment for purchase of non-current assets	-	(36,970)
Net cash inflow/(outflow) from investing activities:	**(122,689)**	**(469,241)**
Cash flows from financing activities		
Proceeds from settlement agreement	960,000	-
Proceeds from issue of shares and warrants	1,000,000	3,028,062
Share issues costs	(50,000)	(126,605)
Net cash inflow from financing activities	**1,910,000**	**2,901,457**
Net increase in cash and cash equivalents	**56,006**	**445,839**
Effect of foreign exchange rate changes	(20,820)	7,563
Cash and cash equivalents at beginning of year	750,695	297,293
Cash and cash equivalents at end of year	**785,881**	**750,695**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2015

	Share capital	Share premium	Share based payment reserve	Merger reserve	Translation reserve	Retained earnings	Total equity
	£	£	£	£	£	£	£
As at 1 July 2013	**18,281,348**	**17,169,957**	**2,287,342**	**1,824,000**	**(332,699)**	**(25,790,292)**	**13,439,656**
Total comprehensive loss for the year	-	-	1,650,828	-	(636,005)	(9,268,695)	(8,253,872)
Issue of shares	1,896,654	1,131,407	-	-	-	-	3,028,061
Share issue costs	-	(126,605)	-	-	-	-	(126,605)
Adjustment of reserves on warrants exercised and lapsed	-	2,287,342	(3,938,170)	-	-	1,650,828	-
As at 30 June 2014	**20,178,002**	**20,462,101**	**-**	**1,824,000**	**(968,704)**	**(33,408,159)**	**8,087,240**
Total comprehensive loss for the year	-	-	-	-	705,218	(1,590,662)	(885,444)
Issue of shares	714,286	285,714	-	-	-	-	1,000,000
Share issue costs	-	(50,000)	-	-	-	-	(50,000)
Share based payment	-	-	52,786	-	-	-	52,786
As at 30 June 2015	**20,892,288**	**20,697,815**	**52,786**	**1,824,000**	**(263,486)**	**(34,998,821)**	**8,204,582**

Reserves Description and purpose

Share capital - amount subscribed for share capital at nominal value

Share premium - amounts subscribed for share capital in excess of nominal value

Share based payment reserve - amount arising on the issue of warrants and share options during the year

Merger reserve - amount arising from the issue of shares for non-cash consideration

Translation reserve - amounts arising on re-translating the net assets of overseas operations into the presentational currency

Retained earnings - cumulative net gains and losses recognised in the consolidated income statement

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

Company No. 02401127

	Notes	2015 £	2014 £
Assets			
Non-current assets			
Property, plant and equipment	12	20,865	71,348
Investment in subsidiaries	13	7,969,380	7,955,774
		7,990,245	**8,027,122**
Current assets			
Trade and other receivables	14	182,022	100,107
Cash and cash equivalents	15	714,281	685,795
		896,303	**785,902**
Total assets		**8,886,548**	**8,813,024**
Liabilities			
Current liabilities			
Trade and other payables	17	733,230	877,399
Total liabilities		**733,230**	**877,399**
Net assets		**8,153,318**	**7,935,625**
Equity			
Share capital	18	20,892,288	20,178,002
Share premium	18	20,697,815	20,462,101
Share based payment reserve	19	52,786	-
Merger reserve		1,824,000	1,824,000
Retained earnings		(35,313,571)	(34,528,478)
Total equity		**8,153,318**	**7,935,625**

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2015 and were signed on its behalf by

M A Borrelli
Chairman

COMPANY CASH FLOW STATEMENT
for the year ended 30 June 2015

	2015 £	2014 £
Cash flows from operating activities		
Profit/(Loss) before tax	**(785,093)**	**(11, 112,242)**
Adjustments to reconcile net losses to cash utilised :		
Depreciation of property, plant and equipment	16,465	17,816
Impairment of investment in subsidiaries	1,000,000	6,250,000
Finance income	(1,614)	(583)
Share based payments	52,786	1,650,828
Other impairment write down and provision	105,859	36,970
Operating cash outflows before movements in working capital	**388,403**	**(3,157,211)**
Changes in:		
Trade and other receivables	(81,915)	86,354
Trade and other payables	(1,210,026)	654,664
Net cash outflow from operating activities	**(903,538)**	**(2,416,193)**
Investing activities		
Interest received	1,614	583
Movement in intercompany accounts	(1,013,608)	23,006
Purchases of property, plant and equipment	-	(45,896)
Disposals of property, plant and equipment	34,018	-
Advance payment for purchase of non-current assets	-	(36,970)
Net cash outflow from investing activities:	**(977,976)**	**(59,277)**
Cash flows from financing activities		
Proceeds from settlement agreement	960,000	-
Proceeds from issue of shares and warrants	1,000,000	3,028,062
Share issue costs	(50,000)	(126,605)
Net cash inflow from financing activities	**1,910,000**	**2,901,457**
Net (decrease)/increase in cash and cash equivalents	**28,486**	**425,987**
Cash and cash equivalents at beginning of year	685,795	259,808
Cash and cash equivalents at end of year	**714,281**	**685,795**

COMPANY STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2015

	Share capital £	Share premium £	Share based payment reserve £	Merger reserve £	Retained earnings £	Total equity £
As at 1 July 2013	**18,281,348**	**17,169,957**	**2,287,342**	**1,824,000**	**(25,067,064)**	**14,495,583**
Total comprehensive loss for the year	-	-	1,650,828	-	(11,112,242)	(9,461,414)
Issue of shares	1,896,654	1,131,407	-	-	-	3,028,061
Share issue costs	-	(126,605)	-	-	-	(126,605)
Adjustment of reserve on warrants exercised and lapsed	-	2,287,342	(3,938,170)	-	1,650,828	-
As at 30 June 2014	**20,178,002**	**20,462,101**	**-**	**1,824,000**	**(34,528,478)**	**7,935,625**
Total comprehensive profit for the year	-	-	-	-	(785,093)	(785,093)
Issue of shares	714,286	285,714	-	-	-	1,000,000
Share issue costs	-	(50,000)	-	-	-	(50,000)
Share based payment	-	-	52,786	-	-	52,786
As at 30 June 2015	**20,892,288**	**20,697,815**	**52,786**	**1,824,000**	**(35,313,571)**	**8,153,318**

Reserves Description and purpose

Share capital - amount subscribed for share capital at nominal value

Share premium - amounts subscribed for share capital in excess of nominal value

Share based payment reserve - amount arising on the issue of warrants and share options during the year

Merger reserve - amount arising from the issue of shares for non-cash consideration

Translation reserve - amounts arising on re-translating the net assets of overseas operations into the presentational currency

Retained earnings - cumulative net gains and losses recognised in the consolidated income statement

NOTES TO THE ACCOUNTS
Year ended 30 June 2015

1. GENERAL INFORMATION

Berkeley Mineral Resources PLC (the 'Company') is incorporated and domiciled in the United Kingdom. The address of the registered office is 35 Piccadilly, London W1J 0DW.

On 28 May 2015, the Company was renamed BMR Mining PLC.

The nature of the Group's operations and its principal activity is that of the acquisition, evaluation and development of mineral stockpiles in particular tailings. The Group's projects are located in Zambia.

2. ADOPTION OF NEW AND REVISED STANDARDS

The directors have considered those Standards and Interpretations, which have not been applied in the financial information but are relevant to the Group's operations, that are in issue but not yet effective and do not consider that any will have a material impact on the future results of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB') and as adopted by the European Union ('EU') and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The principal accounting policies adopted are set out below.

The Group financial information is presented in Pounds Sterling ("£"). For reference the year end exchange rate from Pounds Sterling to US Dollar was 1.5717 (2014: 1.7048) and Pounds Sterling to Zambian Kwacha was 11.5449 (2014: 10.5483).

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its Income Statement for the year. The Company reported a loss for the financial year ended 30 June 2015 of £785,094 (2014: loss of £11,112,242).

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The results of subsidiaries acquired of or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources with its cash balances to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The operational requirements of the Company comprise maintaining a Head Office in the UK with a Board comprising two executive directors and one non-executive Director with two consultants for, amongst other things, determining and implementing strategy and managing operations. In addition, the Company has a team in Kabwe, Zambia for establishing facilities for the processing of the Company's tailings into zinc and lead concentrates under the direction of the Board. The Directors have considered the current level of cash balances and the operational requirements of the Company in both the UK and Zambia over the next 12 months and the commencement of the establishment of a pilot plant, subject to the approval of a final report, expected to be submitted in the near future, to the Zambian Environmental Management Agency ("ZEMA"). The Directors believe that the process methodology being developed by the Company working with technical partners is capable of being patented. The Directors expect the plant to be capable of processing at the rate of five tonnes per hour and operating on a 24/7 basis once fully operational.

In addition, the Directors expect the Company to generate revenues from the sale locally of its Waelz kiln slag for building blocks in the construction sector, subject to the approval of ZEMA for which an application will be made in the near future. The Directors therefore believe that the current cash resources which include the net proceeds of the October placing to raise £750,000, and assuming no current liability in respect of VAT, are sufficient for the Group's current operations and, with expected revenues from the sale of the Waelz kiln slag, for establishing the enhanced pilot plant and commencing preparations for the planned main plant.

However, there can be no guarantee that the required funds will be raised within the necessary timeframe, consequently a material uncertainty exists that may cast doubt on the Group's ability to continue to operate as planned and to be able to meet its commitments and discharge its liabilities in the normal course of business for a period not less than twelve months from the date of this report. The financial statements do not include the adjustments that would result if the Group was unable to continue in operation.

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency).For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in upon GBP, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the functional currency of each Group company ('foreign currencies') are recorded in the functional currency at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into the functional currency at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the income statement in the period in which they arise except for exchange differences on monetary items receivable from or payable to a

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in the income statement on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment
Property, plant and equipment are carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation and amortisation is charged so as to write off the cost or valuation of assets, other than land, over their estimated useful lives, using the straight-line method, on the following bases:

Motor vehicles	25%
Other	25%

The gain or loss arising on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Impairment of property, plant and equipment
At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash f lows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash f lows are discounted to their present value using a pre-tax discount rate that ref lects current market assessments of the time value for money and the risks specific to the asset for which the estimates of future cash f lows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible exploration and evaluation assets
Intangibles exploration and evaluation assets comprise of land use rights, mining licences and Exploration and Evaluation ("E&E") costs.

The land use rights and mining licences are stated at cost less accumulated amortization and impairment losses. They are amortised using the straight line basis over the unexpired period of the rights.

The Group applies the full cost method of accounting for E&E costs, having regard to the requirements of IFRS 6 Exploration for and Evaluation of Mineral Resources. Under the full cost method of accounting, costs of exploring for and evaluating mineral resources are accumulated by reference to appropriate cost centres being the appropriate licence area, but are tested for impairment on a cost pool basis as described below.

E&E assets comprise costs of (i) E&E activities that are ongoing at the balance sheet date, pending determination of whether or not commercial reserves exist and (ii) costs of E&E activities associated with adding to the commercial reserves of an established cost pool, did not result in the discovery of commercial reserves.

Costs incurred prior to having obtained the legal rights to explore an area are expensed directly to the income statement as they are incurred.

Exploration and evaluation costs
All costs of E&E are initially capitalised as E&E assets. Payments to acquire the legal right to explore, costs of technical services and studies, seismic acquisition, exploratory drilling and testing are capitalised as intangible E&E assets.

Such costs include directly attributable overheads, including the depreciation of property, plant and equipment utilised in E&E activities, together with the cost of other materials consumed during the exploration and evaluation phases.

Treatment of E&E assets at conclusion of appraisal activities
Intangible E&E assets related to each exploration licence/prospect are carried forward, until the existence (or otherwise) of commercial reserves has been determined. If commercial reserves have been discovered, the related E&E assets are assessed for impairment on a cost pool basis as set out below and any impairment loss, of the relevant E&E assets is the reclassified as development and production assets.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of E&E assets
E&E assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such indicators include, but are not limited to, those situations outlined in paragraph 20 of IFRS 6 Exploration for and Evaluation of Mineral Resources and include the point at which a determination is made as to whether or not commercial reserves exist.

Where there are indications of impairment, the E&E assets concerned are tested for impairment. Where the E&E assets concerned fall within the scope of an established full cost pool, the E&E assets are tested for impairment together with all development and production assets associated with that cost pool, as a single cash generating unit.

The aggregate carrying value is compared against the expected recoverable amount of the pool, generally by reference to the present value of the future net cash f lows expected to be derived from production of commercial reserves. Where the E&E assets to be tested fall outside the scope of any established cost pool, there will generally be no commercial reserves and the E&E assets concerned will generally be written off in full.

Any impairment loss is recognised in the income statement as additional depreciation and amortisation, and separately disclosed.

The Group considers the whole of Zambia to be one cost pool and therefore aggregates all Zambian assets for the purpose of determining whether an impairment of E&E assets has occurred.

Investment in subsidiaries
In the Company's financial statements, investment in subsidiaries are stated at cost and reviewed for impairment if there are any indications that the carrying value may not be recoverable.

Related party transactions
IAS 24, 'Related Party Disclosures', requires the disclosure of the details of transactions between the reporting entity and related parties which are disclosed in Note 23. In the consolidated financial statements, all transactions between Group companies are eliminated.

Financial instruments
Recognition of financial assets and financial liabilities
Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

De-recognition of financial assets and financial liabilities
The Group derecognises a financial asset only when the contractual rights to cash f lows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it June have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or expired.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade and other receivables
Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash with three months or less remaining to maturity and are subject to an insignificant risk of changes in value.

Impairment of financial assets
The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of a financial asset classified as available for sale, a significant or prolonged decline in the fair value of the financial asset below its cost is considered as an indicator that the financial asset is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on financial assets are not reversed through the income statement.

Trade and other payables
Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Assets under hire purchase
Assets acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out as above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

Hire purchases are classified as finance leases as the terms of the lease transfer substantially all of the risk and rewards of ownership to the lessee

Provisions
Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic resource will result and that outflow can be reliably measured.

Rehabilitation
Provisions are made for the estimated rehabilitation costs relating to areas disturbed during exploration activities up to reporting date but not yet rehabilitated. Changes in estimate are dealt with on a prospective basis as they arise.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments
The Group has applied IFRS 2 Share-based Payment for all grants of equity instruments.

The Group issues equity-settled share-based payments to its employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The inputs to the model include: the share price at the date of grant, exercise price expected volatility, risk free rate of interest.

Share capital
Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Groups ordinary shares are classified as equity instruments.

For the purposes of the disclosures given in note 18, the Group considers its capital to be total equity. There have been no changes in what the Group considers to be capital since the previous period.

The Group is not subject to any externally imposed capital requirements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The following are the critical judgements and estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

i) Recoverability of exploration and evaluation assets

Determining whether an exploration and evaluation asset is impaired requires an assessment of whether there are any indicators of impairment, including by reference to specific impairment indicators prescribed in IFRS 6 Exploration for and Evaluation of Mineral Resources. If there is any indication of potential impairment, an impairment test is required based on value in use of the asset. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of the Group's exploration and evaluation assets at the balance sheet date was £9,613,911 (2014: £9,829,462). No impairments were made during the year (2014: £3,586,479).

The methods and key assumptions in relation to the calculation of the estimates are detailed in note 11.

ii) Going concern

As disclosed in note 3 the Directors have a reasonable expectation that the Company has adequate resources through its cash balances to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.

iii) Provisions for liabilities

As a result of exploration activities the Group is required to make provision for rehabilitation. Significant uncertainty exists as to the amount of rehabilitation obligations which may be incurred due to the impact of possible changes in environmental legislation. Due to the early stage of exploration activity no significant damage has been caused and, therefore, no provision has been recognised at 30 June 2015 (2014: £nil) in the Group and the Company balance sheets.

iv) Share based compensation

In order to calculate the charge for share-based compensation as required by IFRS 2, the Group makes estimates principally relating to the assumptions used in its option-pricing model as set out in note 19.

5. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and making strategic decision, has been identified as the Board of Directors. The Board of Directors considers there to be only one operating segment, the exploitation and development of mineral resources and only two geographical segments being Zambia and the UK.

The geographical split of loss and assets and liabilities are as follows:

	UK £	Zambia £	Total £
2015			
Profit/(loss) before tax	**214,906**	**(1,805,568)**	**(1,590,662)**
Non-current assets			
Intangible exploration and evaluation assets	-	9,811,527	9,811,527
Property, plant and equipment	20,865	45,059	65,924
	20,865	**9,856,586**	**9,877,451**
Current assets			
Trade and other receivables	182,022	17,889	199,911
Cash and cash equivalents	714,281	71,600	785,881
	896,303	**89,489**	**985,792**
Total assets	**917,168**	**9,946,075**	**10,863,243**
Current liabilities	**733,232**	**18,904**	**752,136**
Non-current liabilities	**-**	**1,906,525**	**1,906,525**
Net assets	**183,936**	**8,020,646**	**8,204,582**

5. SEGMENTAL REPORTING (continued)

	UK £	Zambia £	Total £
2014			
Loss before tax	**(5,112,241)**	**(4,156,454)**	**(9,268,695)**
Non-current assets			
Intangible exploration and evaluation assets	-	9,829,462	9,829,462
Property, plant and equipment	71,348	63,895	135,243
	71,348	**9,893,357**	**9,964,705**
Current assets			
Trade and other receivables	100,107	18,014	118,121
Cash and cash equivalents	685,795	64,900	750,695
	785,902	**82,914**	**868,816**
Total assets	**857,250**	**9,976,271**	**10,833,521**
Current liabilities	**877,398**	**13,738**	**891,136**
Non-current liabilities	**-**	**1,855,145**	**1,855,145**
Net assets	**(20,148)**	**8,107,388**	**8,087,240**

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

6. LOSS FOR THE YEAR

The loss for the year has been arrived at after charging / (crediting):

	2015	2014
	£	£
Depreciation of property, plant and equipment (note12)	**40,409**	68,880
Loss on disposal of property, plant and equipment	**34,995**	758
Gain on disposal of property, plant and equipment	**44,538**	-
Loss on disposal of intangibles	**80,313**	-
Amortisation of intangibles	**73,707**	370,045
Impairment provision (write back) /charge **	**83,272**	4,570,064
Settlement monies received as compensation	**(960,000)**	-
Operating lease costs (Office rental costs)	**166,709**	130,613
Staff costs (note 8)	**272,534**	284,142
Share based payment charge	**52,786**	1,650,828
Net foreign exchange loss	**759,571**	1,786,929
Finance income	**(1,614)**	(583)

**Impairment provision (write back)/ charge arising from:-

- Other payable write back	**(22,587)**	
- Intangibles exploration and evaluation assets impairment write down (note 11)	**-**	3,623,448
- Property, plant and machinery impairment write down (note 12)	**-**	59,006
- Other receivables write off	**-**	619,119
- Increase in VAT provision	**105,859**	268,491
	83,272	4,570,064

7. AUDITORS' REMUNERATION

The remuneration of the auditors can be analysed as follows:

	2015	2014
	£	£r
Fees payable to the company's auditor for the audit of the company and group's financial statements	**22,000**	30,000
Fees payable to the company's auditor for other services:		
Other services relating to forensic investigation work	**62,603**	-
	82,603	30,000

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

8. STAFF COSTS

	2015 Number	2014 Number
Directors	**4**	3
Consultant	**2**	1
Support staff (including Zambia employees)	**33**	30
The average monthly number of employees	**39**	34
Their aggregate remuneration comprised:-	**£**	£
Fees	**97,080**	-
Wages and salaries	**162,807**	290,045
Pension	**8,100**	12,000
Social security costs	**4,547**	(17,903)
	272,534	284,142

Included within staff costs £124,662 (2014: £162,511) relates to amounts in respect of Directors.

9. TAXATION

	2015 £	2014 £
Current tax		
UK corporation tax	**-**	-
Overseas taxation	**-**	-
	-	-
Deferred tax		
UK corporation tax	**-**	-
Overseas taxation	**-**	-
	-	-

The taxation credit for each year can be reconciled to the loss per the consolidated income statement as follows:

	2015 £	2014 £
Loss before tax	**(1,590,662)**	(9,268,695)
Tax credit at the standard rate of tax in the UK	**318,132**	1,853,739
Tax effect of non-deductible expenses	**(15,058)**	(135,488)
Deferred tax asset not recognized	**(303,074)**	(1,718,251)
Tax for the year	**-**	-

The standard rate of corporation tax in the UK applied during the year was 20% (2014: 20%).

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

10. LOSS PER SHARE

Basic loss per ordinary share is calculated by dividing the consolidated net loss for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year. The calculation of the basic and diluted loss per share is based on the following data:

	2015 £	2014 £
Loss before tax		
Loss for the purpose of basic loss per share being consolidation net loss attributable to equity holders of the Company	**1,590,662**	9,268,695

	2015 Number	2014 Number
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per shares (2014 restated to allow for the share consolidation)	**133,631,260**	119,732,225

Loss per ordinary share		
Basic and diluted	**1.19p**	7.74p

At the balance sheet date there were 20,339,403 (2014: 57,520,979) potentially dilutive Ordinary Shares. Potentially dilutive ordinary shares relate to warrants and share options issued to directors, consultants and third parties. In 2015 and the prior year, the potential Ordinary shares are anti-dilutive and therefore the diluted loss per share has not been calculated.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

11. INTANGIBLE EXPLORATION AND EVALUATION ASSETS

	Land use Rights £	Small scale licence £	Large scale licence £	Exploration and evaluation assets £	**Total £**
GROUP					
Cost					
At 30 June 2013	3,753,727	664,359	2,037,187	8,601,940	15,057,213
Additions	-	-	-	408,824	408,824
Foreign exchange difference	(746,604)	(94,196)	(340,703)	(73,232)	(1,254,735)
At 30 June 2014	**3,007,123**	**570,163**	**1,696,484**	**8,937,532**	**14,211,302**
Additions	-	-	-	159,530	159,530
Disposals	(89,029)	-	-	-	(89,029)
Foreign exchange difference	(148,176)	(70,322)	-	195,053	(23,445)
At 30 June 2015	**2,769,918**	**499,841**	**1,696,484**	**9,292,115**	**14,258,358**
Accumulated depreciation					
At 30 June 2013	-	(171,109)	(254,208)	-	(425,317)
Charge for the year	(125,787)	(53,348)	(190,910)	-	(370,045)
Impairment	(1,811,112)	-	(1,251,366)	(524,000)	(3,586,478)
At 30 June 2014	**(1,936,899)**	**(224,457)**	**(1,696,484)**	**(524,000)**	**(4,381,840)**
Charge for the year	(25,696)	(48,011)	-	-	(73,707)
Impairment	-	-	-	-	-
Disposals	8,716	-	-	-	8,716
At 30 June 2015	**(1,953,879)**	**(272,468)**	**(1,696,484)**	**(524,000)**	**(4,446,831)**
Carrying amount					
At 30 June 2015	**816,039**	**227,373**	**-**	**8,768,115**	**9,811,527**
At 30 June 2014	1,070,224	345,706	-	8,413,532	9,829,462
At 30 June 2013	3,753,727	493,250	1,782,979	8,601,940	14,631,896

Depreciation of the small scale license is applied by reference to the period of the licence granted and the large scale license has been fully impaired.

Incorporated in the Exploration and Evaluation assets is a fair value adjustment of £6,885,175 as a result of the acquisition of Enviro Mining Limited on 20 June 2011 and its two subsidiary companies, Enviro Processing Limited and Enviro Props Limited (together "Enviro Group"). The Enviro Group owns the leasehold rights and title to Stand 5187 containing the stockpiles at Kabwe and the contents of the washplant and leachplant tailings. No impairment has been made on the fair value this year on the basis that third party reports and internal evaluation of future income streams allied with the associated production costs generate net present values, using conservative discount rates, which are well in excess of the costs capitalised as intangible assets in the balance sheet.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

11. INTANGIBLE EXPLORATION AND EVALUATION ASSETS (continued)

	Net Book Value of Assets Acquired £	Fair Value Adjustment £	Fair Value £
Exploration and evaluation assets	1,802,357	7,135,175	8,937,532
Other net assets acquired	159,530	-	159,530
Foreign exchange difference	(2,563)	197,616	195,053
	1,959,324	7,332,791	9,292,115
Impairment provision	(274,000)	(250,000)	(524,000)
	1,685,324	7,082,791	8,768,115
Deferred tax (note 16)	-	(1,906,525)	(1,906,525)
	1,685,324	5,176,266	6,861,590

The fair value adjustment of £7,135,175 arising from the acquisition of the EML group as outlined above was impaired by £250,000 in 2014 in relation to the NLL facilitation fee paid as part of the cash consideration at the time of the acquisition. The value now included in the exploration and evaluation assets amounts to £7,082,791. On the basis of third party reports incorporating values derived from JORC classifications and internal evaluation of future income streams allied with the associated production costs, net present values, using conservative discount rates, have been generated which are well in excess of this figure and the overall costs capitalised as intangible assets in the balance sheet. The impairment assessment carried out relates to the exploitation and development of mineral resources, as the one cash generating unit ("CGU") representing the only operating segment.The recoverable amount is determined from value in use calculations based on cash flow projections from revenue and expenditure forecasts covering a 5 year period to 2020, the expiry date of the small scale license. The growth rate is assumed to be zero and the level of production is constant on the basis the main plant is assumed to be at the most efficient capacity over the period of extraction., The key assumptions used are as follows:

	2015	2014
Discount rate	20%	20%
Prevailing Metal prices** (per tonne)		
- Zinc	$1,745	$2,060
- Lead	$1,760	$1,725
Metal recovery rate from processing as follow:		
- Zinc	50/80%	55/60%
- Lead	85%	60/80%
Estimated monthly tonnage of Zinc and Lead (JORC Compliant)	29,200	31,025

** Prevailing metal prices extracted from London Metal Exchange as at 21 October 2015

The discount rate is based on the specific circumstances of the Group and its operating segments and is derived from its WACC, with appropriate adjustments made to reflect the risks specific to the CGU and to determine the pre-tax rate. In considering the discount rates applying to the CGUs, the directors have considered the relative sizes, risks and the inter-dependencies of its CGUs. No reasonably possible change in a key assumption would produce a significant movement in the carrying value of the CGUs and therefore no sensitivity analysis is presented.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

12. PROPERTY PLANT AND EQUIPMENT

	Land and Buildings £	Motor Vehicles £	Other £	**Total £**
GROUP				
Cost				
At 30 June 2013	16,402	79,880	161,231	257,513
Additions	14,474	46,652	41,071	102,197
Disposals	-	-	(1,516)	(1,516)
Foreign exchange difference	(4,775)	(16,107)	(21,033)	(41,915)
At 30 June 2014	26,101	110,425	179,753	316,279
Additions	-	6,929	2,382	9,311
Disposals	-	(46,654)	(103,753)	(150,407)
Foreign exchange difference	(2,394)	(5,503)	(1,778)	(9,675)
At 30 June 2015	**23,707**	**65,197**	**76,604**	**165,508**
Accumulated depreciation				
At 30 June 2013	-	(28,713)	(42,131)	(70,844)
Charge for the year	-	(24,633)	(44,247)	(68,880)
Impairment	-	-	(59,006)	(59,006)
Disposals	-	-	758	758
Foreign exchange difference	-	7,677	9,259	16,936
At 30 June 2014	-	(45,669)	(135,367)	(181,036)
Charge for the year	-	(23,901)	(16,508)	(40,409)
Impairment	-	-	-	-
Disposals	-	12,636	102,776	115,412
Foreign exchange difference	-	5,124	1,325	6,449
At 30 June 2015	**-**	**(51,810)**	**(47,774)**	**(99,584)**
Carrying amount				
At 30 June 2015	**23,707**	**13,387**	**28,830**	**65,924**
At 30 June 2014	26,101	64,756	44,386	135,243
At 30 June 2013	16,402	51,167	119,100	186,669

The carrying amount of motor vehicles held under finance lease amounted to £nil (2014: £39,850).

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

12. PROPERTY PLANT AND EQUIPMENT (continued)

	Motor Vehicles £	Other £	Total £
COMPANY			
Cost			
At 30 June 2013	-	56,919	56,919
Additions	46,654	-	46,654
Disposals	-	(1,516)	(1,516)
At 30 June 2014	**46,654**	**55,403**	**102,057**
Additions	-	-	-
Disposals	(46,654)	-	(46,654)
At 30 June 2015	**-**	**55,403**	**55,403**
Accumulated depreciation			
At 30 June 2013	-	(13,651)	(13,651)
Charge for the year	(6,804)	(11,012)	(17,816)
Disposals	-	758	758
At 30 June 2014	**(6,804)**	**(23,905)**	**(30,709)**
Charge for the year	(5,832)	(10,633)	(16,465)
Disposals	12,636	-	12,636
At 30 June 2015	**-**	**(34,538)**	**(34,538)**
Carrying amount			
At 30 June 2015	**-**	**20,865**	**20,865**
At 30 June 2014	39,850	31,498	71,348
At 30 June 2013	-	43,268	43,268

The carrying amount of motor vehicles held under finance lease amounted to £nil (2014: £39,850).

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

13. INVESTMENT IN SUBSIDIARIES

	Cost of Investment £	Long Term Loans £	**Total £**
COMPANY			
Cost at 30 June 2013	4,926,701	9,302,079	14,228,780
Advance to subsidiary undertakings	-	801,811	801,811
Effect of forex exchange rate charges	-	(824,817)	(824,817)
Impairment	(250,000)	(6,000,000)	(6,250,000)
At 30 June 2014	4,676,701	3,279,073	7,955,774
Advance to subsidiary undertakings	-	321,438	321,438
Effect of forex exchange rate charges		692,168	692,168
Impairment	-	(1,000,000)	(1,000,000)
At 30 June 2015	**4,676,701**	**3,292,679**	**7,969,380**

The Company had investment in the following subsidiary undertakings at 30 June 2015 and 30 June 2014:

Name	**Activity**	**Country of incorporatio and operation**	**Ordinary Shares held Company**	**Ordinary shares held Group**
Enviro Mining Limited	Holding Company	Mauritius	100%	100%
Enviro Processing Limited	Tailings processing	Zambia	–	100%
Enviro Props Limited	Property holding	Zambia	–	100%

The Group holding of 100% in the Zambian subsidiaries is held as to 99% by Enviro Mining Limited and 1% by a nominee on behalf of the Company.

As at 30 June 2015, the Company had investments in the following subsidiaries all of which were non-trading:

Name	**Activity**	**Country of incorporation**	**Ordinary shares held by Group and Company**
Mukuba Chemical Enterprises Ltd	Asset holding	Zambia	74%
Ndola Mineral Resources Ltd	Tailings processing	Zambia	100%
Sensele Mineral Resources Ltd	Tailings processing	Zambia	80%
Mfubu Mineral Ltd	Tailings processing	Zambia	80%
Butale Mineral Resources Ltd	Tailings processing	Zambia	80%

For further detail please refer to note 24. The joint venture operations have remained inactive although the Group still retains effective full control over the 5 dormant subsidiary companies.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

14. TRADE AND OTHER RECEIVABLE

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Group and Company				
Prepayment	**101,795**	47,492	**98,556**	32,537
Other receivables	**1,727**	63,059	**-**	60,000
Vat receivable	**96,389**	7,570	**83,466**	7,570
	199,911	118,121	**182,022**	100,107

As outlined in note 17, a provision has been made in respect of a VAT assessment received from HM Revenue & Customs ("HMRC").

The fair value of trade and other receivables is not significantly different from the carrying value and none of the balances are past due.

15 CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents as at 30 June 2015 of £785,881 (2014: £750,695) comprise cash at bank and in hand.

The Company's cash and cash equivalents as at 30 June 2015 of £714,281 (2014: £685,795) comprise cash at bank and in hand.

The Directors consider that the carrying amount of these assets approximates their fair value.

16. DEFERRED TAX

Differences between IFRS and statutory tax rules (in the United Kingdom and elsewhere) give rise to temporary differences between the carrying values of certain assets and liabilities for financial reporting purposes and for income tax purposes.

At 30 June 2015, the Company and Group are carrying forward estimated tax losses of £12.5m (2014: £10.9m) in respect of various activities over the years. No deferred tax asset was recognized in respect to these accumulated tax losses as there is insufficient evidence that the amount will be recovered in future years.

	£
Deferred tax liabilities	
At 30 June 2014 and 1 July 2014	1,855,145
Foreign exchange difference	51,380
At 30 June 2015	**1,906,525**

The deferred tax liabilities arose on the acquisition of exploration and evaluation assets in 2011. These will be released to the income statement as the fair value of the related exploration and evaluation assets is amortised.

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Trade payables	**151,330**	87,243	**144,749**	984,612
Other taxes and social security	**3,424**	21,601	**-**	21,601
Other payables	**164**	329,394	**-**	329,395
Vat payable	**374,350**	268,491	**374,350**	268,491
Accruals	**222,868**	184,407	**214,131**	173,300
	752,136	891,136	**733,230**	877,399

BMR is currently registered for VAT but HMRC has given notice that BMR is to be de-registered on the basis there was no effective consideration for any services provided as no invoices had been raised by BMR and issued to its subsidiaries and that management services were not considered supplies for VAT purposes. A provision has been made for £374,350 (2014 - £268,491) in relation to VAT previously claimed including interest and this amount has been provided in full. The Company has appealed and submitted its case for continued registration after having sought professional advice.

18. SHARE CAPITAL AND SHARE PREMIUM

As permitted by the Companies Act 2006, the Company does not have an authorised share capital (2014: nil)

	2015		2014	
Issued equity share capital	**Number**	**£**	Number	£
Issued and fully paid				
Ordinary shares of £0.001 each (2014: Ordinary shares of £0.01 each) (see movements below)	**131,965,451**	**1,319,654**	1,272,705,316	12,727,053
Deferred shares of £0.009 each	**1,346,853,817**	**12,121,684**	-	-
Non-equity deferred shares of £0.01 each	**19,579,925**	**195,799**	19,579,925	195,799
Deferred shares of £0.04 each	**181,378,766**	**7,255,151**	181,378,766	7,255,151
		20,892,288		20,178,003

Conversion of settlement shares into deferred shares

Pursuant to the settlement agreement dated 18 February 2015, Masoud Alikhani, Barbara Alikhani and Lakeshore Trading Limited, formerly Swan Logistics Limited agreed, which was subsequently approved by shareholders at the Annual General Meeting on 28 May 2015, to convert their interest in (before the consolidation) 24,479,376 of £0.01 ordinary shares of the Company into (before the consolidation) 27,199,307 £0.009 deferred shares with no economic value or voting rights.

Re-organisation of share capital

At the Annual General Meeting on 28 May 2015 a resolution was passed and the Company completed a share re-organisation to reduce the par value of the existing ordinary shares comprising a sub division of 1,319,654,510 ordinary shares into 1,319,654,510 new £0.01 ordinary shares and a further 1,319,654,510 £0.009 deferred shares with no economic value or voting rights and the consolidation of those new ordinary shares into a new class of ordinary shares (New Ordinary Shares of £0.001 each) such that each existing holding of 10 ordinary shares will convert into 1 New Ordinary Share.

The deferred 1p shares confer no rights to vote at a general meeting of the Company or to a dividend. On a winding-up the holders of the deferred shares are only entitled to the paid up value of the shares after the repayment of the capital paid on the ordinary shares and £5,000,000 on each ordinary share.

The deferred shares of 4p each have no rights to vote or to participate in dividends and carry limited rights on return of capital.

Deferred shares of £0.009 issued during the year:

	Number of shares	Nominal value £
At 30 June 2014	-	-
Conversion of ordinary shares into deferred shares following the settlement agreement on 18 February 2015	27,199,307	244,794
Deferred shares issued arising from Consolidation and subdivision of shares on 28 May 2015	1,319,654,510	11,876,890
	1,346,853,817	12,121,684

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

18. SHARE CAPITAL AND SHARE PREMIUM (continued)

Shares issued during the year

	Number of shares	Nominal value £	Share Premium £
At 30 June 2013	1,083,039,792	10,830,398	17,169,957
Ordinary shares issued during the year	189,665,524	1,896,655	1,131,407
Share issue costs	-	-	(126,605)
Warrants exercised	-	-	1,941,742
Warrants lapsed	-	-	345,600
At 30 June 2014	1,272,705,316	12,727,053	20,462,101
Ordinary shares issued during the year	71,428,570	714,286	285,714
Share issue costs	-	-	(50,000)
Conversion of ordinary shares into deferred shares following the settlement agreement on 18 February 2015	(24,479,376)	(244,794)	-
At 28 May 2015	1,319,654,510	13,196,545	20,697,815
Consolidation and subdivision of shares on 28 May 2015 (see note above)	131,965,451	1,319,654	20,697,815
At 30 June 2015	**131,965,451**	**1,319,654**	**20,697,815**

Shares Issued	**Number of Shares**	**Nominal Value**	**Share Premium**
27 August 2013 at £0.01 each	29,441,061	294,411	294,410
28 August 2013 at £0.01 each	18,250,000	182,500	182,500
30 August 2013 at £0.01 each	3,959,326	39,593	39,594
2 September 2013 at £0.01 each	2,538,026	25,380	25,380
24 October 2013 at £0.01 each	507,605	5,076	5,076
2 December 2013 at £0.01 each	12,500,000	125,000	125,000
12 December 2013 at £0.01 each	7,852,797	78,528	78,528
13 December 2013 at £0.01 each	7,614,082	76,141	76,141
2 January 2014 at £0.01 each	3,147,149	31,472	31,471
28 January 2014 at £0.01 each	2,045,645	20,456	20,457
3 February 2014 at £0.01 each	670,000	6,700	-
7 April 2014 at £0.01 each	24,047,596	240,476	60,119
28 April 2014 at £0.01 each	54,250,000	542,500	135,625
1 May 2014 at £0.01 each	22,842,237	228,422	57,106
At 30 June 2014	**189,665,524**	**1,896,655**	**1,131,407**
8 July 2014 at £0.01 each	35,714,285	357,143	142,857
19 August 2014 at £0.01 each	35,714,285	357,143	142,857
At 28 May 2015	**71,428,570**	**714,286**	**285,714**

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

19. SHARE BASED PAYMENTS

Equity settled share-based payments

The Company has a share option scheme for directors, employees and consultants.

SHARE OPTIONS

Name	Price	Note	30 June 2014 or date of appointment Number	Cancelled or Lapsed Number	Granted during the year Number	Exercised during the year Number	30 June 2015 or date of resignation Number
SHARE OPTIONS							
M Alikhani	3p		5,000,000	(5,000,000)	-	-	-
M Alikhani	9p		3,597,000	(3,597,000)	-	-	-
M Wainwright	3p		2,000,000	(2,000,000)	-	-	-
M Wainwright	9p		1,000,000	(1,000,000)	-	-	-
H Furman	3p		2,000,000	(2,000,000)	-	-	-
H Furman	9p		1,000,000	(1,000,000)	-	-	-
Other staff and consultants	3p		28,625,000	(28,625,000)	-	-	-
Other staff and consultants	9p		14,298,979	(14,298,979)	-	-	-
M A Borrelli	6p	A	-	-	6,070,411	-	6,070,411
J N Hawke	6p	A	-	-	2,903,240	-	2,903,240
Consultants	6p	A	-	-	4,222,895	-	4,222,895
Total options			**57,520,979**	**(57,520,979)**	**13,196,546**	**-**	**13,196,546**
SHARE WARRANTS							
Novum Securities	28p	B	-	-	7,142,857	-	7,142,857
Total Share Warrants			-	-	**7,142,857**	-	7,142,857
Total Share Options and Warrants			**57,520,979**	**(57,520,979)**	**20,339,403**	**-**	**20,339,403**

Note: all shares cancelled or lapsed were pre-consolidation.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

19. SHARE BASED PAYMENTS (continued)

SHARE OPTIONS AND WARRANTS
NOTE:

Note A – Exercisable at any time before 12 June 2020
Note B – Exercisable at any time before 7 July 2017

During the year 15,438,400 share options (pre the share consolidation) lapsed as a result of the staff and consultants no longer working for the Company. In addition, on 29 March 2015, Mr Furman and Mr Wainwright agreed to the cancellation of their options amounting to 6,000,000 and the remaining 36,082,579 share options were cancelled on 18 February 2015 as part of the settlement agreement.

Warrants

On 8 July 2014, the Company issued 35,714,285 warrants to Novum Securities of 1p each at an exercise price of 2.8p. Following the consolidation of shares these warrants are converted in to 3,571,428 warrants at an exercise price of 28p.

On 19 August 2014 the Company issued a further 35,714,285 warrants of 1p each at an exercise price of 2.8p. Following the consolidation of shares these warrants are converted in to 3,571,428 warrants at an exercise price of 28p.

Share Options

On the 12 June 2015, the Company granted 13,196,546 share options of 1p to directors and senior executives at an exercise price of 6p exercisable before 12 June 2020. 25% of the options vested immediately and 3 further tranches of 25% will vest on the achievement of various milestones in the future. As a result of this the fair value of the share options was determined at the date of the grant using the Black Scholes model, using the following inputs:

Share price at the date of amendment	4p
Strike price	6p
Volatility	60%
Expected life	1,825 days
Risk free rate	0.5%

The resultant fair value of the share options was determined to be £52,786, which was recognised in the income statement.

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

20. FINANCIAL INSTRUMENTS

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern, while maximising the return to shareholders.

The capital resources of the Group comprises issued capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity. The Group's primary objective is to provide a return to its equity shareholders through capital growth. Going forward the Group will seek to maintain a yearly ratio that balances risks and returns of an acceptable level and also to maintain a sufficient funding base to the Group to meet its working capital and strategic investment needs.

Categories of financial instruments

	2015	2014
Group	**£**	£
Financial assets		
Cash and cash equivalents	**785,881**	750,695
Other receivables classified as loan and receivables at amortised cost	**98,116**	70,628
	883,997	821,323
Financial liabilities classified as held at amortised cost		
Trade and other payables	**529,268**	706,729
	529,268	706,729
Company		
Financial assets		
Cash and cash equivalents	**714,281**	685,795
Other receivables classified as loan and receivables at amortised cost	**83,466**	67,570
	797,747	753,365
Financial liabilities classified as held at amortised cost		
Trade and other payables	**519,099**	704,009
	519,099	704,009

Fair value of financial assets and liabilities
Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than a forced or liquidation sale and excludes accrued interest. Where available, market values have been used to determine fair values.

20. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The directors' assessment of the E&E assets at fair value, are disclosed in note 12.

Financial risk management objectives

Management provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include foreign currency risk, credit risk, liquidity risk and cash f low interest rate risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

As the Group has no committed borrowings, the Group is not exposed to any risks associated with fluctuations in interest rates on loans. Fluctuation in interest rates applied to cash balances held at the 2015 balance sheet date would have minimal impact on the Group.

Foreign exchange risk and foreign currency risk management

Foreign currency exposures are monitored on a monthly basis. Funds are transferred between the Sterling and US Dollar accounts in order to minimise foreign exchange risk. The Group holds the majority of its funds in Sterling.

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and monetary liabilities at the reporting date are as follows:

	Financial liabilities		Financial assets	
	2015	2014	**2015**	2014
Group	**£**	£	**£**	£
Zambian Kwacha	**10,169**	2,351	**50,592**	37,504
US Dollars	**-**	279	**105,782**	280,971
Company				
Zambian Kwacha	**-**	-	**-**	
US Dollars	**-**	279	**105,782**	250,517

20. FINANCIAL INSTRUMENTS (continued)

Foreign currency sensitivity analysis

The Group is exposed primarily to movements in Sterling against the US Dollar. Sensitivity analyses have been performed to indicate how the profit or loss would have been affected by changes in the exchange rate between the US Dollar and Sterling. The analysis is based on a weakening and strengthening of Sterling by 10 per cent against the US Dollar in which the Group has assets and liabilities at the end of each respective period.

A movement of 10 per cent reflects a reasonably possible sensitivity when compared to historical movements over a three to five year timeframe. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ten per cent change in foreign currency rates.

A positive number below indicates an increase in profit where the US Dollar strengthens ten per cent. against Sterling. For a ten per cent. weakening of the US Dollar against Sterling, there would be an equal and opposite impact on the profit, and the balance below would be negative.

The following table details the Group's sensitivity to a ten per cent. strengthening in the US Dollar and Zambian Kwacha against Sterling

	2015	2014
	£	£
(Decrease)/increase in income statement and net assets (US $)	**(9,117)**	(22,373)
(Decrease)/increase in income statement and net assets (Kwacha)	**(3,635)**	(3,305)

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group does not have any significant credit risk exposure on trade receivables.

The Group makes allowances for impairment of receivables where there is an identified event which, based on previous experience, is evidence of a reduction in the recoverability of cash f lows.

The credit risk on liquid funds (cash) is considered to be limited because the counterparties are financial institutions with high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

Liquidity risk management

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. Management monitor forecasts of the Group's liquidity reserve, comprising cash and cash equivalent, on the basis of expected cash flow. At 30 June 2015, the Group held cash and cash equivalent of £785,881 (2014: £750,695) and the directors assess the liquidity risk as part of their going concern assessment (see note 3)

20. FINANCIAL INSTRUMENTS (continued)

Liquidity risk management (continued)

The Group and Company aim to maintain appropriate cash balances in order to meet its liabilities as they fall due.

Maturity analysis

Group 2015	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	752,136	48,250	59,981	152,556	491,350	-

Company 2015	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	733,232	48,250	49,812	143,820	491,350	-

Group 2014	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	891,136	218,350	218,121	126,509	302,342	25,814

Company 2014	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	877,398	204,612	218,121	126,509	302,342	25,814

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

21. OPERATING LEASE ARRANGEMENT

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£	£
Land and buildings		
Within one year	64,500	120,000
Within 2-5 years	-	60,000
Total	64,500	180,000

Operating lease payments represent rentals payable by the Company for its office properties.

22. FINANCE LEASE PAYABLES

	2015	2014
	£	£
Minimum hire purchase payables:		
not later than one year	-	7,702
Later than one year and not later than five years	-	29,607
Total	-	37,309
Less: future finance charges	-	(3,793)
Present value of hire purchase payable	-	33,516
Current asset	-	33,516
Non current assets	-	-
Present value of hire purchase payable	-	33,516

The leased asset was disposed of during the year.

23. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The Directors consider that the following parties are related parties for the purposes of the disclosure of related party transactions:

Mr Masoud Alikhani, director during the year;
Mr Said Alikhani and Africa Consulting Services;
Ms Anita Carr, A.E.C.C.S.S. and Lakeshore Trading Limited, formerly Swan Logistics Limited;
Mr Kishor Sodha and Harrison Reeds; and
Mr Mark Wainwright, director, and Turner and Townsend (Pty) Limited.

Settlement agreement

On 18 February 2015, the Company entered into a settlement agreement with, amongst others, Mr Masoud Alikhani. The Settlement Agreement represented a related party transaction in accordance with Rule 13 of the AIM Rules for Companies and the Directors considered, having consulted with the Company's nominated adviser, that the terms of the Settlement Agreement were fair and reasonable insofar as its shareholders are concerned.

The settlement agreement was with Masoud Alikhani (the former Chairman) via an interim deputy, Mrs Barbara Alikhani (wife of Masoud Alikhani), Said Alikhani (a brother of Masoud Alikhani), Alberg Mining & Minerals Exploration Limited (a vendor of assets sold to BMR), Dominion Energy PLC (a company in which Masoud Alikhani was interested), ESV Group PLC (a further company in which Masoud Alikhani was interested), Ms Anita Carr (a former contractor of BMR) and Lakeshore Trading Limited, formerly Swan Logistics Limited (a company controlled by Ms Anita Carr) (together, the "Settlement Parties"), and Heathley Limited (a company of which Masoud Alikhani's son is an authorised signatory) and the Company received the sum of £960,000 from Mrs Alikhani.

On 18 February 2015, 36,082,579 options (pre the share consolidation) were cancelled as part of the settlement agreement. On 29 March 2015, H Furman and M Wainwright sacrificed their outstanding options. As noted in Note 19 above, on 29 March 2015, all then outstanding options were cancelled.

Transactions with Lakeshore Trading Limited, formerly Swan Logistics Limited ("Swan")

The Company made significant transfers to Swan, a related party, which in turn paid the Company's employees, contractors and external service providers Various matters regarding the conduct of Swan are the subject of the Settlement Agreement outlined above (which agreement contains confidentiality obligations).

During the early part of the year ended 30 June 2015 Swan acted as an agent of the Group and were engaged to provide office services. Swan charged £105,456 (2014: £234,535) to the Company for these services and were paid £345,456 (2014: £498,388). At the year end no balances were owed to the Company (2014: amounts owed to Swan £240,000).

Swan was financed entirely by the Company and it generated no revenue or income in its own capacity.

23. RELATED PARTY TRANSACTIONS (continued)

Transactions with Turner and Townsend (Pty) Limited ("T&T")

T&T is a related party of the Group because Mark Wainwright (the previous non-executive Director) is part of the key management personnel of Turner and Townsend (Pty) Limited's parent company where he holds a position of the managing director of its Natural Resources division.

In 2010, T&T were engaged to provide project management services in relation to the JORC resource verification of the Group's assets in Zambia and, during the year ended 30 June 2015, T&T charged £6,261 (2014: £nil) to the Company for consultancy services. At the year end there was a balance owing of £4,533 by the Company to T&T (2014: £Nil).

Transactions with Africa Consulting Services

Africa Consulting Services is contracted and administered by Said Alikhani, the brother of Masoud Alikhani. During the year Africa Consulting Services were engaged to provide investor relations services for the Company. Africa Consulting Services charged £Nil (2014: £45,000) to the Company for these services. At the year end the amounts owed by the Company to Africa Consulting Services were £Nil (2014: £15,000).

Transactions with A.E.C.C.S.S.

A.E.C.C.S.S. is a related party of the Group because Anita Carr, a director of Lakeshore Trading Limited, formerly Swan Logistics Limited, a company effectively under the control of Masoud Alikhani, acted as a consultant and provided accounting, secretarial and website update services for the Company. During the year A.E.C.C.S.S. charged £23,750 (2014: £42,000) to the company for these services. At the year end the amounts owed by the Company to A.E.C.C.S.S. were £Nil (2014: £Nil).

Transactions with Harrison Reeds

Harrison Reeds is a related party of the Group because Kishor Sodha, the previous Chief Financial Officer of the Company, is the principal of the business. During the year Harrison Reeds were engaged to provide financial and accounting services for the Company and charged £15,000 (2014: £45,000) to the company for these services. At the year end the amounts owed by the Company to Harrison Reeds were £Nil (2014: £6,000).

Directors' transactions

Transactions with the Directors are shown in the Directors' Report.

Remuneration of key management personnel

Key management personnel (including the directors) of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	2015	2014
	£	£
Short-term employee benefits	**171,000**	171,000
Social security cost	**36,511**	36,511
	207,511	207,511

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 2015

24. CONTRACTUAL ARRANGEMENTS

At 30 June 2015, the Company held interests in the following joint venture companies which the Directors consider are no longer subject to any contractual arrangements but which were subject to contractual arrangements at 30 June 2013:

Name	Activity	Country of incorporation	Ordinary shares held by Group and Company
Mukuba Chemical Enterprises Ltd	Asset holding	Zambia	74%
Ndola Mineral Resources Ltd	Tailings processing	Zambia	100%
Sensele Mineral Resources Ltd	Tailings processing	Zambia	80%
Mfubu Mineral Ltd	Tailings processing	Zambia	80%
Butale Mineral Resources Ltd	Tailings processing	Zambia	80%

The joint venture companies were set up in conjunction with the joint venture partners with a view to running the copper project as outlined in the 2013 accounts. The Directors have now concluded that there were very limited copper interests held within the five joint venture companies, they have very little value and they have now been fully written-down.

It has been established that the joint venture companies, which have remained dormant, were not effectively consummated, as mining licences were either not transferred, had expired or become invalid and, furthermore, the copper resource in the joint ventures were of a low grade and not economic to process (see note 13).

25. CONTINGENT LIABILITIES AND PROVISIONS

a) The Directors have considered the current status of the joint venture companies and do not consider that the Company would be subject to any potential litigation on the basis that they were not effectively consummated, as mining licences were either not transferred, had expired or become invalid and, furthermore, the copper resource in the joint ventures was of a low grade and not economic to process.

b) BMR is currently registered for VAT but HMRC have given notice that BMR is to be de-registered on the basis there was no effective consideration for any services provided as no invoices had been raised by BMR and issued to its subsidiaries and that management services were not considered supplies for VAT purposes. The Company has received assessments and have provided for £374,500 (2014: £268,491) in back VAT claimed including interest and this amount has been provided in full. The Company has appealed and submitted its case for continued registration after having sought professional advice. The Directors do not expect any resulting assessment to be materially different from this provision taking into account consideration of any possible compliance penalty.

26. EVENTS AFTER THE REPORTING DATE

On 28 October 2015, the Company issued 18,750,000 ordinary shares of 1p each at a price of 4p per share raising £750,000. In addition for each share a warrant was issued to subscribe for a further new ordinary share at 7.0p per share in the 42 days following publication of BMR's results for the year ending 30 June 2016.